

VZCZCXRO7862
OO RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR
DE RUEHSF #0664/01 2910923
ZNY CCCCC ZZH
O 170923Z OCT 08
FM AMEMBASSY SOFIA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5456
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
RUCPDO/DEPT OF COMMERCE WASHINGTON DC PRIORITY
RUEAUSA/DEPT OF EDUCATION WASHINGTON DC PRIORITY
RUEAIIA/CIA WASHINGTON DC PRIORITY
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 SOFIA 000664

SIPDIS

FOR SPE BOYDEN GRAY; ENERGY COORDINATOR MANN, EEB DAS
HENGEL, EUR DAS BRYZA

E.O. 12958: DECL: 10/07/2018
TAGS: [ENRG](#) [ECON](#) [PREL](#) [BU](#)
SUBJECT: BULGARIA'S ENERGY SUMMIT PLANNING

REF: SOFIA 641

Classified By: Ambassador Nancy McEldowney for reasons 1.4 (b) and (d).

11. (C) Summary: As a result of Special Envoy Boyden Gray's October 6-7 Sofia visit, the Bulgarians have refined their plans for a major energy summit planned for April 2009. The Sofia summit will bring together heads of state of major supplier, consumer and transit nations and try to gain agreement on Europe's real energy needs, considering projected consumption and climate change goals. The Bulgarians are coordinating with both Budapest and Prague to ensure the Hungarian, Bulgarian and Czech energy meetings -- all planned for the first half of 2009 -- are viewed in Europe as a coherent package under the Czech EU Presidency. The three energy meetings represent a major push by transit states, long ignored by both Brussels and Moscow, to drive Europe's energy debate. End Summary.

THE CONFERENCE

12. (C) The Bulgarians requested SE Gray's visit to gain U.S. support for the Sofia Energy Summit, tentatively scheduled for late April 2009, and to consult on summit principles. As a result of SE Gray's meetings with the President, Prime Minister, Foreign and Energy Ministers as well as Gray's Bulgarian counterpart, the Bulgarians propose to invite heads of state of supplier, transit and major European consumer nations to discuss energy security, particularly on the gas front. A main feature of the conference will be the presentation of a study of Europe's future gas needs that could be the foundation for determining available sources, needed quantities and possible routes. The Bulgarians also hope to include an industry component to the summit to further distinguish it from events planned in Budapest (January) and Prague (perhaps June).

THE STUDY

13. (C) Prime Minister Stanishev suggested that a "pragmatic and realistic" understanding and agreement on Europe's energy needs should be the foundation of the Sofia summit. Such an agreement could form the basis for any future unified European energy strategy. The Bulgarians believe the International Energy Agency may be the most neutral party to produce such an analysis. Given the tight deadline, the report will likely be an analysis of a compilation of diverse, already-produced studies of European energy needs. The Bulgarians will approach the IEA and the French Presidency about producing such a report in coming days.

14. (C) Bulgarian Energy Ambassador Peter Poptchev made the

observation, supported by SE Gray, that any analysis of European energy needs must take into account Europe's climate targets. Poptchev said there is decided confusion among member states about how to implement the EU's climate package. Further, for Europe to reach its climate targets, it will need considerably more gas than currently projected. Therefore, the Bulgarian summit will strive to link energy security with climate change.

COORDINATION

15. (C) For the Summit to be a success, SE Gray advised close coordination between Budapest, Sofia and Prague. The Bulgarians stated they had already started consultations with their Hungarian and Czech colleagues to ensure that the three meetings are seen as a package. The Hungarian meeting would try to revive Nabucco, the Bulgarian summit would focus more broadly on energy security, and the Czech Summit, although its exact focus is not yet known, would, at a minimum, tie up loose ends left by the first two conferences. To ensure that the rest of Europe goes along with the conference plans, the Bulgarians will urge the Czechs to place the three conferences on the list of priorities for the Czech Presidency, during which all three events will take place.

COMMENT

16. (C) Planning for the Bulgarian energy summit is still in its very first stages, but the Bulgarians are off to a good

SOFIA 00000664 002 OF 002

start. They have already secured high-level Russian participation (Putin told PM Stanishev in September he would attend, although the Bulgarians believe Medvedev might be sent). They appear to have willing partners in Budapest and Prague, the latter of which will be able to wield tremendous influence during its Presidency. They also seem willing, at least at this early stage, to put controversial topics on the table, including the link between energy security and climate change.

17. (C) Taken as a package, the East European three-conference initiative has the potential to shift the European energy debate. It is a unified effort by transit states, until now largely ignored, to gain the respect and attention of both Brussels and Moscow. It could also improve the ability of transit states, now picked off one by one by Gazprom on South Stream, to demand a more multilateral approach to that project. The events would also elevate Europe's profile in Azerbaijan and Central Asia. Most importantly, if the East European energy meetings become Czech Presidency priorities, they could lay the foundation for a long promised and sorely lacking unified European energy strategy. While SE Gray could not promise high-level Washington participation (from the next administration) at this time, we should be as supportive and engaged as possible. Without U.S. involvement, the idea could devolve into simply another European energy talk-fest or be used by Russia, with whom the Bulgarians are also consulting, to bring further division on energy in the region.

McEldowney